

APPROVED Minute
NHS Grampian
Performance Assurance, Finance & Infrastructure Committee
28th August 2024, 1400 to 1600
(Microsoft Teams Meeting)

Board Meeting
Open Session
10.10.2024
Item 12.2

Chair – Mr Sandy Riddell

Present

Sandy Riddell (Chair)	Non-Executive Board Member, NHS Grampian
Tracy Colyer	Non-Executive Board Member, NHS Grampian
Joyce Duncan	Non-Executive Board Member, NHS Grampian
Ritchie Johnston	Non-Executive Board Member, NHS Grampian
Derick Murray	Non-Executive Board Member, NHS Grampian

In Attendance

Paul Bachoo	Medical Director Acute & Portfolio Executive Lead, Integrated Specialist Care
June Brown	Executive Nurse Director/Deputy Chief Executive (Deputising for Adam Coldwells)
Alison Evison	Board Chair, NHS Grampian
Nick Fluck	Medical Director
Preston Gan	Head of Performance
Steven Lyndsey	Employee Director
Dennis Robertson	Non-Executive Board Member, NHS Grampian
Alex Stephen	Director of Finance/Executive Lead for Performance
Alan Wilson	Director of Infrastructure & Sustainability

Guests

Colin Adam	Programme Director Item 4.1
Jillian Evans	Head of Health Intelligence Item 4.3
Garry Kidd	Assistant Director for Infrastructure & Sustainability Item 4.2 & Item 4.3
Jennifer Matthews	Corporate Risk Advisor Items 3.2 & 4.4
Tom Power	Director of People and Culture Item 3.1
Alan Robertson	Property Planning Manager Item 4.2
Alex Robertson	Head of Applications Item 3.2
Alan Sharp	Deputy Director of Finance Item 5
Cathy Young	Head of Transformation Item 3.1

Apologies

Colette Blackwell	Non-Executive Board Member, NHS Grampian
Adam Coldwells	Chief Executive
Carmen Gillies	Programme Lead Value & Sustainability Item 4.2

Minute taker

David Creighton	Senior Administrator/PA
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No.	Item	Discussion	Action
1.	<p>1) Welcome and Apologies</p> <p>2) Declarations of Interest</p> <p>3) Minutes of previous meeting (5th June 2024)</p> <p>4) Matters Arising</p>	<p>The Chair welcomed everyone to the meeting. Ritchie Johnston, one of the new Non-Executive Board Members joined PAFIC for his first meeting. Apologies noted as above.</p> <p>No declarations of interest declared.</p> <p>The minute was accepted as an accurate note of the meeting. Update on actions:</p> <ul style="list-style-type: none"> • Item 5.1 Performance Items to be tabled at the start of the agenda, this was actioned to allow time for discussions on the Performance Report given the level of detail contained in the report • Item 5.2 Discussion on Vacancy Control and Statutory & Mandatory Training which was requested to come as a paper for this meeting. In an effort to avoid duplication, up to date information is included in the Performance Report. The Director of People and Culture is in attendance to answer any committee members questions in lieu of a paper • Item 5.2 Improvements on PAFIC Reporting was discussed with The Chair, the Director of Finance and the Head of Performance at the PAFIC Agenda Setting meeting following 5th June. An update on Performance Assurance Framework is tabled for the September 25th 2024 PAFIC Meeting • Item 5.3 Update paper on long waits has been requested from the Head of Performance Governance for the September 25th PAFIC Meeting <p>No matters arising noted.</p>	
2.	<p>Committee Matters</p> <p>1) Update re Development Session for PAFIC</p> <p>2) ToR – add to forward planner – Self assessment for</p>	<p>The Chair wished to offer thanks to those involved in the behind the scenes organisation of PAFIC and the quality of papers authored by leads, to help PAFIC to carry out their role on behalf of the Board.</p> <p>The Chair advised as discussed at PAFIC earlier in the year it was suggested to hold a Development Session for PAFIC to discuss Performance Reporting in its early stages. As this has now been further developed and enhanced to provide assurance, it was suggested to put a hold on this, and revisit when self-assessment feedback has been received by committee members in November 2024. Agreed by PAFIC.</p> <p>The Chair advised the most recent Terms of Reference (ToR) has been included in papers is due for review. It has been tabled for September 25th 2024 PAFIC meeting to provide an updated ToR for the committee incorporating</p>	

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	<p>November Meeting prior to reporting to the board</p> <p>3) Forward Planner</p>	<p>changes in job titles, the focus of PAFIC and key principles for assurance given recent development. This will allow a coherent approach to governance and avoid duplication of work in busy schedules.</p> <p>Committee Members to advise The Director of Finance any gaps that would benefit from being reviewed by PAFIC.</p> <p>Any substantial changes may need approval from the Board and other committees.</p> <p>Included for awareness of upcoming agenda items for PAFIC. The Director of Finance advised the Forward Planner was working well. For 2025 PAFIC and Board meetings, timetabling will be considered taking into account any reporting to the Scottish Government (SG).</p>	<p>All</p> <p>SR/AS</p>
<p>3.</p>	<p>Performance – Exec Lead Alex Stephen Topics and paper author:</p> <p>1) 24/25 Q1 ADP PAFIC Performance Report</p>	<p>The Head of Performance advised committee members that the HAWD report for reporting to the Scottish Government was due for submission. For clarity the Performance Report included in papers for PAFIC was the extended version of spotlights for contained in the HAWD report for full assurance for the committee. Incorporated a number of changes with improvements from the 23/24 financial year for the performance framework to support the Plan for the Future and performance against objectives. Further Improvements as this evolves to incorporate outcomes in to the report to support a better sense of current in year performance and any impacts on longer term objectives.</p> <p>The Chair thanked the committee for any questions raised to leads for their directorates upon circulation of the papers and encouraged this to help provide focus in the meeting. Acknowledged enhancements and a robust approach to spotlights section which feels more balanced. The development of targeted prompts and use of circle markers for improved accessibility and navigation. An appropriate level of risks and mitigations are included but charts could be simplified for focus on when performance will improve and does anything different need done for assurance.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Noted waits over 104 weeks for Treatment Time Guarantee (TTG) appears to be showing an increase over time • Noted a sustained period of reducing performance for 62 day cancer treatments • Short Stay Units (SSU) not functioning as normal. The Medical Director Acute confirmed that SSU has been accommodating displaced activity from the yellow zone. Facilities and Estates will be doing work to get SSU 	

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		<p>functioning as a day case theatre, but this has been held up with prioritisation work in the main theatre suite</p> <ul style="list-style-type: none"> • Reduction of Locums with potential to include in core workforce. The Director of Finance confirmed while this sounds simplistic it may not be a desirable move for some Locums. A move to direct engagement which does not include VAT to be paid versus off framework Locums has seen some improvements in Locum spend. Some areas such as Mental Health require a shift to direct engagement • Ensure alignment from other committee meetings against key work such as medical leadership support for Locums and Junior Doctors • Protected time for Statutory and Mandatory training, if this does not have a positive effect a different attitude towards training may be needed • Noted improvements may be limited by the financial situation and if there is an opportunity to provide additional resources for improvements in key areas, noting that this may cause some difficult decisions across both NHS Grampian (NHSG) and the Integrated Joint Boards (IJBs) • Regional and National framework that helps support local work while ensuring that reaching targets does not have an adverse effect, such as achieving a 100% abortion rate has impacts on progress with preventative contraception • Commentary on any low performance against National Waiting Times Standards would be helpful to understand any potential improvements alongside what is “good enough” for benchmarking in relation to other Boards. Suggested top 3 areas of focus for spotlights and include associated patient feedback where available <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> • Decide whether the improvements made to this iteration positively enhances assurance in performance and that we should continue with this approach • Decide the onward submission of the HAWD Board Performance Report to SG • Endorse, recognising the positive progress and improvements in our performance at Quarter 1 of 2024/25 • Provide clarity on the appropriate level of detail for individual spotlights, whether insufficient, balanced, or excessive, to help manage expectations during the review and compilation process • Recognise the risks and decide whether the mitigations, will enable us to establish a clearer 	<p style="text-align: center;">PG</p>

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	<p>2) Strategic Risk – Cyber Security</p>	<p>view of overall performance trajectory and improve alignment of our strategic objectives and outcomes</p> <p>The Chair advised the paper for the Strategic Risk - Cyber Security which explains the areas of risk and work to address gaps. Given the strict confidence, was password protected, and circulated only to committee members, executive leads and authors. It was not for further sharing.</p> <p>The Medical Director advised the cyber security landscape is very real and is an area of focus to take timely corrective action against to reduce risk, within the financial envelope, based on learnings from the Dumfries and Galloway cyber-attack.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Confirmed this work which will follow governance routes sits alongside the report that went to the Audit and Risk committee for cyber security with ransomware and the draft Network and Information Systems (NIS) audit • Ensuring Statutory and Mandatory training for security is up to date with use of the Daily Brief and proactive engagement and with staff groups to encourage positive behaviours. Cyber testing is also being carried out, any response from colleagues to potential phishing emails, will prompt for further training. Monitoring compliance is to be implemented • Suggested ensuring management structures ensure teams have completed training • Strong business continuity plans are vital as system failure could impact services and remote working. National issues have seen major impact on services quickly with slow recovery <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> • Note the current status of cybersecurity risks and ongoing mitigation efforts • Recognise the limitations of current resources in addressing critical vulnerabilities • Support the continued investment in cybersecurity initiatives, including the full migration to supported systems and enhancement of patch management protocols • Approve the prioritisation of key improvement plans as outlined in this report 	
<p>4.</p>	<p>Infrastructure – Exec Lead Alan Wilson Topics and paper author:</p>	<p>The Programme Director introduced the paper. Recently submitted the design review for the Anchor Centre which NHS Scotland Assure (NHSS Assure) have accepted and are working through the documents to move to a supported status and enter a commissioning case which is expected</p>	

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	<p>1) Baird & Anchor Update</p> <p>2) Developer Contributions 6 Monthly Report (for noting)</p>	<p>to be concluded quickly. Working with NHSS Assure on an action plan in relation to the construction KSAR, with specific dates for submitting relevant information for the Anchor Centre. The feasibility study for the Anchor Centre has been concluded with an agreed layout and modifications, with a caveat to review the number of fan units within the building. Multi stakeholder workshop has taken place. Healthcare Acquired Infection (HAI) instructions issued to the contractor to commence proposed works start of September 2024. Finance to set out a robust forecast for the project cost Programme. Planned completion of the Anchor Centre is end of 2024/early 2025 with completion of the Baird Centre in summer 2025.</p> <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> • Note progress on delivery of this Project and the emergent quality issues • Note the process described to resolve HAI and KSAR issues • Note the revised programme for delivery of both projects, including the potential for further slippage • Note the risks to project cost and programme <p>The Chair advised this paper was for noting but opened up for any questions/comments.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • It was noted that certain healthcare developments are not covered by developer obligations unless NHS Grampian can provide additional funding. Questions were raised about the level of understanding and ongoing discussions with Integration Joint Boards (IJBs) and the Scottish Government (SG) • It was suggested that a broader scope could be explored beyond just facilities to determine other healthcare elements that could be incorporated. The Property Planning Manager clarified that developer contributions cover only capital costs, such as buildings, and cannot be used for revenue funding. • There is a delicate balance between affordability and realisation, and it is crucial to get this right. Developer contributions are limited to new developments, and discussions with IJBs and SG are ongoing about potentially expanding their scope. <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> • The current arrangements in place for the planning and management of developer obligations 	

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	<p data-bbox="169 309 470 566">3) Sustainability Delivery Plan update - Include update on ADP 24/25 targets for Greening Health Systems</p> <p data-bbox="169 1854 464 1928">4) Strategic Risk – Infrastructure</p>	<ul data-bbox="491 159 1337 264" style="list-style-type: none"> • The progress to date in securing Developer Obligations and the actions being progressed to improve uptake and to develop planning processes. <p data-bbox="491 309 1337 450">The Chair noted that the paper was included as an update from its last presentation to PAFIC in April 2024. The Chair expressed appreciation for its regular inclusion at PAFIC meetings, as it remains a key focus of the Board.</p> <p data-bbox="491 450 1337 815">The Head of Health Intelligence noted that this has been a key focus over the past six months. Although progress may appear limited, this is largely due to the distinction between planning and programming. Several factors, such as technology and affordability, play a significant role in advancing these efforts. The report will inform NHS Grampian’s statutory duty to produce an annual climate emergency and sustainability report for the Scottish Government, which is scheduled to be presented at the Board Meeting in October 2024.</p> <p data-bbox="491 853 932 887">PAFIC Questions/Comments</p> <ul data-bbox="491 898 1348 1559" style="list-style-type: none"> • Noted governance is in place through the Sustainability Governance Group • Organisation commitment to culture and stewardship will empower workforces and communities, working in partnership with Board members as ambassadors and role models. Raising awareness and providing training is key alongside the use of tools to understand the significance of issues faced and a curated communications plan. Need to lead from the ground up in partnership with IJBs and communities • Active and Sustainable Travel Plan drafted for the Aberdeen Royal Infirmary (ARI) Health Campus and at Foresterhill • Are there any areas that could be invested in which would deliver savings? The Assistant Director for Infrastructure & Sustainability confirmed that replacing light fittings with LED bulbs and installing solar panels are examples to deliver savings. <p data-bbox="491 1597 1110 1630">PAFIC supported the recommendations:</p> <ul data-bbox="491 1641 1348 1821" style="list-style-type: none"> • Progress to date • Key limiting factors affecting the ability to progress the necessary Heat and power solutions include availability of deliverable technology, funding and in some cases future service plans <p data-bbox="491 1854 1337 1998">The Director of Infrastructure and Sustainability highlighted the reality of risks with the recent example of Phase 1 Fire Alarms which were being looked at to improve, and failed prior to work being carried out in a phased manner, which</p>	

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		<p>subsequently had an impact on Central Decontamination Unit (CDU) closures.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> Investment in decontamination units. The Director of Infrastructure and Sustainability advised the investment would last as long as the building lasts. CDU closures. The Medical Director Acute advised there is a significant problem with CDUs in the North of Scotland. Patients are being prioritised with support from neighbouring boards but there is a backlog of approx. 20 cases per week and impacts on Theatres. Teams are working overnight and travelling to other locations to produce the crates required to minimise impacts Additional funding unlikely given investment in Baird and Anchor Centres. SG have confirmed future funding will be based on risk which is the best way to leverage any capital investment. <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> The current arrangement in place for the management of Infrastructure Risk The impact of funding constraints on the ability to manage infrastructure risks effectively and the limited assurance opinion from the Executive Lead for this reason The improvement activities forming part of both Directorate operational planning and the development of a Maintenance only business continuity investment plan in line with direction from the Scottish Government 	
5.	<p>Finance – Exec Lead Alex Stephen Topics and paper author: 1) 24/25 Q1 Update</p>	<p>The Deputy Director of Finance advised there was a £94M gap before the value & Sustainability programme of £35M savings. SG realised NHSG would be unlikely to reach the set brokerage cap of £15M and expected NHSG to achieve an overspend of no more than the net gap of £59M or less. The overspend to end of July 2024 is just under £25M which equates to a monthly operational overspend of £5M. The original financial plan did not contain any allowance for overspend contributions to IJBs overspent estimated at £14.7M. This means the revised forecast for the 24/25 financial year is £82.5M. New schemes to achieve further savings to be put to Board in September 2024 with a full report to the September 2024 PAFIC Meeting. The committee were advised NHSG were waiting on a final report from KMPG for other strands of work.</p> <p>PAFIC Questions/Comments</p>	

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	2) Value & Sustainability Plan Update	<ul style="list-style-type: none"> • Noted any efficiencies unlikely to yield great savings and there are potential implications to service delivery given the financial constraints • CET are looking at spends that are not legally committed for consideration of services that could be stopped. It was noted that the recent decision to stop the Drug and Alcohol Service which was based on non-recurring funding had wider impacts • Response to SG letter for NHSGs Q1 position to be responded to on 13th September 2024 after the Board Meeting on 12th September 2024 <p>PAFIC supported the recommendations:</p> <ul style="list-style-type: none"> • Discuss and note the Board’s position at the end of July and the current forecast year end position • Note that further savings opportunities are being developed in the form of a Recovery Plan with an update to be provided to the October meeting of PAFIC. • Note that KPMG have been commissioned to review savings potential in a number of areas. This work is approaching completion and will also be reported to the October meeting of PAFIC. <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Earmarked Funding. The Deputy Director of Finance advised if an allocation if not spent in year will not carry forward to the next financial year <p>PAFIC were asked to note the paper.</p>	
6.	Matters to escalate to Board/Committee Chairs	<p>The Director of Infrastructure and Sustainability asked about an escalation from the Asset Management Group in relation to Labs.</p> <p>This is not one that would come to PAFIC as no assurance to be given. To be discussed how best to escalate.</p>	SR/AS/AW
7.	Date of Next Meeting: Wednesday 25th September 2024, 1400 to 1600		

Chair: Mr Sandy Riddell

Key: * Paper attached # Verbal ~ Paper expected

Notification of apologies/deputies to:

Mr David Creighton (gram.grampianchiefexecutive.scot.nhs)